

# INFORMATION BULLETIN

## WORKFORCE INVESTMENT ACT

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE MEETING MINUTES—  
FEBRUARY 18, 2005

The minutes and revised agenda from the Local Workforce Investment Area (LWIA) meeting held at the Workforce Investment Division in Sacramento on February 18, 2005, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact Jim Scholl, at (916) 657-4610.

/S/ BOB HERMSMEIER  
Chief  
Workforce Investment Division

Attachments

# LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE MEETING

Friday, February 18, 2005

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## Agenda

9:30 a.m.	Welcome/Hot Topics	Bob Hermsmeier, Workforce Investment Division (WID)
	California Workforce Investment Board (CWIB) Brief Update	David Militzer, CWIB
	WIA Two-Year Planning Requirements	David Militzer, CWIB
	Local Planning Guidance	David Militzer, CWIB
	ETPL Subsequent Eligibility	Liz Clingman, WID
	Reauthorization	Bob Hermsmeier, WID
	Performance and Measurement System	Liz Clingman, WID
	25 Percent Additional Assistance	Steve Saxton, WID
	Open Discussion	Bob Hermsmeier / All
	Adjourn	

## LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE MEETING MINUTES

Friday, February 18, 2005

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**Welcome/Hot Topics**—Bob Hermsmeier, Workforce Investment Division (WID)

- **Allocations.** There will be an approximate two-week turnaround after California receives the allotments from the Department of Labor (DOL) that are anticipated the first week of March. This is subject to change. There was discussion during the January conference call regarding changes to the allocation formula relative to census data. The Labor Market Information Division (LMID) is redoing the software system and the data systems within the State to have all the factors ready to plug in as soon as we receive the federal data.

Michael Evashenk stated that some of the data used in the dislocated worker allocation formula has changed beginning in January 2004. Specifically, the mass layoff statistics for Calendar Year 2004 and beyond will no longer include agriculture and public sector jobs. For the dislocated worker allocation formula, mass layoff data for the two calendar years prior to the start of a program year provide the basis for 25 percent of the allocated amounts. The LMID will attempt to analyze how this change of mass layoff data will affect each local area. The LMID analysis will be available in March.

Update to the Advisory Committee Meeting Discussion. The LMID completed an analysis of how changes to mass layoff data might affect dislocated worker allocations by attempting to isolate the effect of mass layoff data in a recalculation of dislocated worker allocations for the current year. For the analysis, LMID substituted 2004 mass layoff data for the 2002 data used in the original allocations and held all other factors constant. Attached to these meeting notes is a table containing the recalculated dislocated worker allocations for Program Year (PY) 2004-05. The table lists local areas in the order of the greatest negative difference in dollars to the greatest positive difference in dollars. Local areas should view the recalculated allocation amounts only as an indicator of the possible effects the mass layoff data change will have on PY 2005-06 dislocated worker allocations. Other factors will also influence final allocation amounts for next year, such as the addition of 2000 Census tracts and changes in unemployment rates.

The WID is looking at this issue to determine what actions we can take, such as proposing a supplemental allocation of 25 percent funding for some local areas to reduce some of the negative impact. This is a divisional proposal right now, not a departmental position.

- Governor's Committee for Employment of Disabled Persons (GCEDP) and Senior Worker Advocate Office. The GCEDP has moved from the Public Affairs Branch to the Workforce Development Branch (WDB).

Catherine Baird, Executive of GCEDP, will retain her title and is reporting to Dennis Petrie, Deputy Director of WDB. Catherine's staff is assigned to WID and is reporting to Linda Rogaski. The effort is to have Catherine oversee matters of a policy nature related to persons with disabilities in the State of California. The WDB is implementing and will assure proper attention is paid to Assembly Bill (AB) 925 through the CGEDP.

Bonnie Parks, Manager of The Senior Advocate's Office, along with her responsibilities and staff, has also relocated to WDB. Bonnie will report to Dennis Petrie.

Megan Juring and Regina Cademarti, under contract with Sonoma State University, have also joined WDB. They are under contract to the CGEDP, and are reporting to Linda Rogaski to work on the AB 925 implementation.

#### **California Workforce Investment Board (CWIB) Brief Update**—David Militzer, CWIB.

- The WIA Evaluation Interim Report. The CWIB met on February 17, and it was a noteworthy meeting in a number of ways. The Labor and Workforce Development Agency's (LWDA) Secretary Bradshaw addressed the CWIB and shared her view that it is now time to set CWIB on a new course. She cited the recently released first Interim Report from the WIA Evaluation. The report indicated that CWIB has, given a new administration, a "window of opportunity" to begin truly to fill its potential for leadership in California. Given the current administration's focus on job growth for California, it is an excellent time to rethink and refocus on positioning CWIB with other leadership, both locally and around the State. Patrick Henning, Employment Development Department's (EDD) Director, stated that he plans to participate actively in all CWIB meetings and CWIB planning.
- Regional Economies Project. A presentation of the first year's findings from this project was made at the CWIB meeting on February 17. The project's purpose is to develop information that better measures the performance of California's regional economies, including the changes in the region's economic base and the clusters of opportunity for job growth and skills. This information can be used for better-informed policy and decision-making at the State, regional and local levels. The project provides a bridge for connecting regional economic strategies to workforce policy, programs, and resources at the State and regional levels. The project's first year findings can be accessed at LWDA's Web site, [www.labor.ca.gov/panel/](http://www.labor.ca.gov/panel/).
- Local Area Boundaries Policy Workgroup. The CWIB accepted and approved the Local Area Modification Policy and Application package. The full package can be accessed on CWIB's Web site, [www.calwia.org](http://www.calwia.org). This policy has nothing to do with other proposals for increasing or decreasing the number of Local Workforce Investment Areas (LWIA) in California.

- Youth Council Report on Work Readiness Certificate (WRC) Models. The purpose of a WRC is to certify to a potential employer that an individual has achieved the skills needed for success in the workplace. Local, state, and national groups have a variety of WRC models under development or testing. Based on discussions at the CWIB meeting, the Youth Council is prepared to continue their analysis as described in detail in the CWIB meeting materials.
- Return-on-Investment (ROI). At the September 29, 2004, CWIB meeting, Private Sector Chairs of Local Workforce Investment Boards (LWIB), through the California Workforce Association (CWA) proposed funding by CWIB to support the development of a specific ROI approach into a tool for use by local boards. The specific measures use an input-output model to develop measures of the employment impact on local economies (local areas) of using either the change in income measured between pre-program and post-program participation and total expenditures on training by local boards. The LWIBs would use these measures to tell the story of the economic value of the publicly funded workforce investment system. After finding several ROI models in use or under development, David Illig's progress report recommended that CWIB convene a one-day conference to look at the different models and identify both a preferable approach and a set of promising practices that LWIBs can use to standardize their ROI calculations. There will be continued dialogue on this issue with LWDA. Also, ROI will be discussed at the May CWIB meeting, as there is a desire to make a decision about whether to pursue the request.

### **WIA Two-Year Planning Requirements**—David Militzer, CWIB

The DOL recently notified states that the Workforce Investment Act (WIA) requires new five-year plans by July 1, 2005. The DOL requires that all states submit to the DOL "the first two years of a five-year State Plan" by May 31, 2005. In order to meet this deadline and have both CWIB and public involvement, CWIB designed a process in coordination with LWDA for developing California's Plan. The CWIB established three special committees that correspond with the Administration's initiatives for use of discretionary WIA funding: (1) The High Wage-High Growth Jobs Special Committee, chaired by Kirk Lindsay, (2) The Statewide Shortages Special Committee, chaired by T. Warren Jackson, and (3) The Advancing Workers Special Committee, chaired by Chris Essel. The CWIB intends that, in addition to their "long term charge," the committees help develop certain parts of the Plan. Both CWIB members and at-large members will comprise these committees. Each committee will have an all day meeting in early March at different locations in the State. These meetings will discuss certain high-level plan elements (vision, goals, and strategies) and take public input. Information on the committee meetings and the two-year planning process will be available on CWIB's Web site, [www.calwia.org](http://www.calwia.org).

A draft plan will be available for public comment by April 1. At a special CWIB meeting scheduled for April 12, committee chairs will report on how their workgroup recommendations can be included in the State's two-year plan and the CWIB will take public comments on the draft plan. A final draft of the State Plan will be prepared and available on CWIB's Web page, [www.calwia.org](http://www.calwia.org) in time for a second CWIB meeting on May 12 to approve the plan. Individuals can comment on the State Plan on the

Web page. The CWA will be involved in every step of the process to ensure all critical components, such as youth issues, are addressed in the State Plan.

### **Local Planning Guidance**—Bob Hermsmeier, WID

The CWIB is responsible for local planning and is requesting the local areas' plans be submitted by June 30. Bob Hermsmeier stated the local planning guidance would be a two-tiered process.

- The first tier is similar to the plan the local areas now have in place and the local plan modification process we used in previous years. There will be an option for local areas to include additional elements to their local plan if desired, relative to the new revisions to the State Plan. The due date for submission of the local plans to the State has not yet been set.
- The second tier is that the Governor reserves the right to request new information from the local areas based on DOL Guidance under the State Plan. After California submits its State Plan, the State may issue additional planning guidance asking local areas to modify the plan that they have already submitted. The timeframe will be determined at a later date.

### **ETPL Subsequent Eligibility**—Liz Clingman, WID

The DOL approved a waiver of the 18-month time limit on the period of initial eligibility of training providers. This waiver expires June 30, 2005. Even in the face of WIA Reauthorization, DOL is mandating that California have a procedure in place for subsequent eligibility by July 1, 2005, unless an extension of the current waiver is requested and approved by DOL.

The current procedures are in Directive WIAD01-16, entitled, *Eligible Training Provider List* (ETPL). Please review the Directive and provide any comments directly to Leon Arcuri at [larcuri@edd.ca.gov](mailto:larcuri@edd.ca.gov) by March 11, 2005. Then, we're planning to reconvene the partner workgroup, to comment on the policy based on lessons learned over the last four years.

An Advisory Committee member asked if the State would consider taking over all aspects of managing the ETPL on a statewide basis. Liz Clingman indicated that the WIA requires eligible training providers be approved by a local board. In order for the State to take on this responsibility, all 50 LWIAs would need to agree to that process, and in doing so, delegate their approval authority to the State.

### **Reauthorization**—Ray Worden, Long Beach LWIA

It is clear that the Bush Administration's vision is different than even the House and Senate Republicans on WIA Reauthorization. The full committee adopted the Manager's bill through the subcommittee under Congressman McKeon's leadership. A number of amendments were purposed over party lines. For the first time, we may have some legal guidance on the definition of the administration that's actually in the

law. Any One-Stop operations may be governed by a 10 percent administration limitation. This is already State policy in half of the states across the country.

The biggest concern seems to be the provision that would allow the Secretary of Labor to reserve 25 percent of the appropriated amounts for Youth Challenge grants. Another issue is the placeholder language for the Community Faith-Based Job Training Grants. The concern is having Faith-Based Organizations receive federal funds because they may limit their staff hiring practices to only include members of their faith.

#### **Performance and Measurement System**—Liz Clingman, WID

The two places where the State and the nation are challenged in PY 2004-05 are the wage gain and the wage replacement measure. California is considering requesting renegotiation with the Secretary of Labor on these measures.

The State is about to issue a draft directive, entitled, *LWIA Proposed Performance Levels For PY 2004-05*. This directive will include the State's proposed local performance goals for PY 2004-05. Because of the challenges facing the State and the fact that the Governor's negotiated goals with the Secretary of Labor for PY 2004-05 are very similar to last year's goals, the proposed LWIB goals are identical to last year's agreed upon goals. Also, the directive outlines the process for requesting renegotiation of the proposed goals.

An Advisory member asked about the ETA Management Information and Longitudinal Evaluation (EMILE). Liz indicated that 39 states had commented to DOL on EMILE. The DOL hired a contractor to do a three-state pilot prior to national implementation. The timeline for the pilot is unknown at this time. Certainly we would not expect implementation of EMILE prior to July 1, 2006.

#### **25 Percent Additional Assistance**—Steve Saxton, WID

Bob Hermsmeier stated that the rules of how the WIA 25 percent additional assistance projects this year were different than in the past. We were dealing with \$4500 maximum cost per participant and only training costs were allowable. As a result of that, many projects were returned to local area administrators to be renegotiated. Some local areas chose to bring forward their proposals a second time that had a split cost arrangement where the State would pay \$4500 for each trainee and amount out of the local areas' formula account. Much concern has been expressed about the State's criteria for funding the additional assistance projects in State Fiscal Year 2004-05.

Steve Saxton indicated that he was drafting an information bulletin that would describe a new process that would have more flexibility. At a very high level, the protocols would be different for an immediate need for funds due to a mass layoff as opposed to a need where the formula just did not work. The information bulletin should be on the Web in March.

**REVISED PY 2004-05 DISLOCATED WORKER ALLOCATIONS  
SUBSTITUTING CY 2004 FOR CY 2002 MLS DATA**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
LOCAL WORKFORCE INVESTMENT AREAS	PY 2004-05 DISLOCATED WORKER ALLOCATIONS	REVISED PY 2004-05 DISLOCATED WORKER ALLOCATIONS	Col. C minus Col. B Difference in Dollars	Col. D divided by Col. B Difference in Percent
FRESNO	\$7,179,056	\$6,706,567	-\$472,489	-6.6%
MONTEREY	\$2,436,373	\$2,084,062	-\$352,311	-14.5%
IMPERIAL	\$1,984,144	\$1,651,297	-\$332,847	-16.8%
KERN/INYO/MONO	\$4,534,899	\$4,226,469	-\$308,430	-6.8%
SAN DIEGO	\$5,186,021	\$4,986,402	-\$199,619	-3.8%
ALAMEDA COUNTY	\$2,917,598	\$2,771,290	-\$146,308	-5.0%
NOVA	\$1,949,463	\$1,820,563	-\$128,900	-6.6%
VENTURA	\$2,052,281	\$1,934,424	-\$117,857	-5.7%
SACRAMENTO	\$3,180,070	\$3,063,287	-\$116,783	-3.7%
SAN MATEO	\$1,751,465	\$1,645,005	-\$106,460	-6.1%
SOLANO	\$1,094,257	\$1,015,325	-\$78,932	-7.2%
SOUTH BAY	\$1,231,546	\$1,171,781	-\$59,765	-4.9%
VERDUGO	\$670,570	\$617,111	-\$53,459	-8.0%
TULARE	\$3,325,729	\$3,281,764	-\$43,965	-1.3%
KINGS	\$846,151	\$806,022	-\$40,129	-4.7%
MADERA	\$822,760	\$793,023	-\$29,737	-3.6%
SONOMA	\$997,063	\$973,165	-\$23,898	-2.4%
SAN BERNARDINO COUN	\$3,446,858	\$3,429,107	-\$17,751	-0.5%
ANAHEIM CITY	\$668,824	\$654,368	-\$14,456	-2.2%
SAN LUIS OBISPO	\$306,849	\$297,589	-\$9,260	-3.0%
CAR/LOM/TORR	\$625,885	\$619,581	-\$6,304	-1.0%
CONTRA COSTA	\$1,993,578	\$1,988,568	-\$5,010	-0.3%
YOLO	\$390,210	\$386,078	-\$4,132	-1.1%
SANTA CRUZ	\$1,162,091	\$1,159,761	-\$2,330	-0.2%
NAPA	\$223,241	\$221,004	-\$2,237	-1.0%
SANTA ANA	\$664,909	\$662,745	-\$2,164	-0.3%
SAN BENITO	\$278,354	\$280,712	\$2,358	0.8%
FOOTHILL	\$662,923	\$675,784	\$12,861	1.9%
SANTA BARBARA	\$632,537	\$649,608	\$17,071	2.7%
MOTHER LODE	\$298,027	\$316,066	\$18,039	6.1%
MENDOCINO	\$240,132	\$258,315	\$18,183	7.6%
LONG BEACH	\$1,306,530	\$1,328,726	\$22,196	1.7%
MARIN	\$404,099	\$428,886	\$24,787	6.1%
SELACO	\$1,091,509	\$1,116,370	\$24,861	2.3%
RICHMOND	\$427,061	\$456,304	\$29,243	6.8%
HUMBOLDT	\$307,288	\$337,681	\$30,393	9.9%



**State of California**  
**Employment Development Department**

**Labor Market Information Division**  
**February 23, 2005**

<b>A</b> LOCAL WORKFORCE INVESTMENT AREAS	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
	<b>PY 2004-05</b> DISLOCATED WORKER ALLOCATIONS	<b>REVISED PY 2004-05</b> DISLOCATED WORKER ALLOCATIONS	Col. C minus Col. B <b>Difference in Dollars</b>	Col. D divided by Col. B <b>Difference in Percent</b>
MERCED	\$1,445,485	\$1,476,301	\$30,816	2.1%
GOLDEN SIERRA	\$988,910	\$1,033,834	\$44,924	4.5%
SAN BERNARDINO CITY	\$626,153	\$671,698	\$45,545	7.3%
SAN JOAQUIN	\$2,863,305	\$2,930,560	\$67,255	2.3%
STANISLAUS	\$2,563,796	\$2,646,802	\$83,006	3.2%
NCC CONSORTIUM	\$1,284,999	\$1,374,478	\$89,479	7.0%
RIVERSIDE	\$4,143,612	\$4,234,293	\$90,681	2.2%
SAN JOSE/SILICON	\$5,920,608	\$6,051,909	\$131,301	2.2%
NORTEC	\$1,676,209	\$1,834,941	\$158,732	9.5%
SAN FRANCISCO	\$2,695,565	\$2,855,853	\$160,288	5.9%
L.A. COUNTY	\$9,812,395	\$9,998,165	\$185,770	1.9%
ORANGE	\$3,339,469	\$3,550,060	\$210,591	6.3%
OAKLAND	\$1,883,831	\$2,120,041	\$236,210	12.5%
L.A. CITY	\$12,948,514	\$13,889,457	\$940,943	7.3%
STATE TOTAL	\$109,483,202	\$109,483,202		